



ON TARGET

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The price of Freedom is eternal vigilance—

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Thought for the Week: ... "The most potent forces in the world today are forces **that** do not work in the open. They could not work in the open: for if they did, mankind would not **for one instance** tolerate their continuance. It is essential for the success of their (the forces) plans that the **people** of the world should be unaware of the chains that have been made to enmesh them."

- A. N. Field, in The Truth About the Slump (1931)

THE TREASURY IN THE HOT SEAT: The most immediately important question today is simply this: will the Federal Treasurer (Mr. Crean) realise in time before a potentially disastrous September Budget that the Treasury view of Australian economic prospects, on which he apparently depends entirely, is now totally discredited (our emphasis) among non-Treasury economists, and contradicted by events in the real world?" - The Australian, (Editorial) August 10th.

The time just had to come when the economic refuse, dished up decade after decade by Treasury "experts", would be seen for what it is by thinking observers of the Australian economy. We have known since the inception of the League of Rights Movement in 1946 that modern finance-economics is based on fallacies. Indeed, this knowledge has been in existence since 1919, but it has been suppressed. Now the fallacies of modern finance-economics are commencing to come under the microscope, although the suppression will still continue; but with increased difficulty.

Parts of The Australian's Editorial, headed; "Treasury Must See Figures On The Wall" - could have been written by us: viz.:

"Mr. Crean's repeated heavy-footed hints of the need for a tough Budget are no more than the parroted repetition of the views of a Treasury which has been continually wrong (our emphasis) about the Australian economy since 1970 at least."

"The Treasury's experts have never brought themselves to understand that the primary cause of inflation today is not the pull of excess demand (our emphasis) in the economy - if it ever was - (it never was...Ed) but the pressure of increasing costs (our emphasis)."

"Consequently, every time that they are faced with an inflationary situation they react, like Pavlov's dogs, automatically, with the instilled response. **They** insist on demand-deflating measures, despite the evidence which has been mounting from all quarters **for the past twenty years** that these are counter-productive, since they are themselves inflationary."

Quite so, We would like to reproduce the Editorial in full; but limitations of space will not permit that.

Mr. Bob Hawke, the President of the A.C.T.U., and of the A.L.P., is also attacking the Treasury economists (to his credit), asserting that these "experts" are divorced from the effects of their policies (unemployment; economic distress). He said that they are highly paid; irremovable; and more. Quite right too.

Now Mr. William McMahon, former (disastrous) Liberal Prime Minister, is climbing on the anti-Treasury bandwagon (a fashion we are quite enjoying) and stating (Sun, Melbourne, August 13th) that "if he was Treasurer he would ignore all advice from Treasury experts."

He didn't ignore the advice of Treasury experts when he was Treasurer: nor did Mr. Snedden, when Treasurer under Mr. McMahon, when the hopeless 1971 Budget was brought down. This resulted in the considerable unemployment which was responsible, primarily for tossing the Liberal-Country Party from office in December 1972. This Budget was the work of some half dozen or so Treasury "experts": Mr. Snedden couldn't possibly frame a Budget - he just read out what was written down for him; and the joke was on him: Most of these "experts" responsible for the Lib.-Country Party Coalition ejection from power were trained at the London School of Economics.

Mr. McMahon's attack on the Treasury seems rather odd to us now: but politicians are rather odd people, who bend facts to suit the political climate of the hour. We are reminded of George Orwell's "1984"; in which history is continually being re-written, and former "versions of history and personages" are fed into the "memory holes" which lead straight to the furnaces. These "versions" are then "unhistory" and "unpeople" in the required language of the day - "Newspeak".

It seems that we might see the day when Treasury economic absurdities are given similar treatment, fed into the "memory holes": however, we don't wish these absurdities to be exchanged for further absurdities, but for policies based on political and economic realism; many of which are given ventilation in the respective journals of the Australian League of Rights: particularly "The New Times" (monthly; subscription \$6.00 yearly).

MR. LYNCH BENDS SOME FACTS: "It was Labor's spending during 1973 which caused inflation to take off by creating a fundamental imbalance between demand and supply."

- Phillip Lynch (Deputy Leader, Opposition) in a letter to The Age (Melbourne August 8th.)

We notice that Mr. Lynch is mesmerised by myth of demand-inflation: the belief which the Treasury "experts" (and he, himself) cling to tenaciously, that excess demand is the primary cause of inflation. It isn't. The primary cause of inflation is cost escalation. And it wasn't Labor's spending in 1973 which "caused inflation to take off" at all: it was Mr. Snedden's (i.e. the Treasury's) 1972 "Save Our Skins" Budget: which came too late to save the political skins of the Liberal-Country Party Coalition Government. Mr. Crean's deficit Budget of 1973 accelerated the rate of inflation which had already "taken off". Mr. Whitlam's lavish Government spending spree, in the heady days of '73, added momentum to inflation.

We wonder how long it will be before Mr. Lynch follows the fashion and has his swipe at the Treasury? The rub is that Mr. Snedden would be doing just as the Treasury "experts" advise if he were in Mr. Whitlam's shoes right now. It's ever so easy for Mr. Snedden to say that unemployment is totally

unacceptable as a weapon to defeat inflation. Well, so it is. But he will probably have his chance in 12-18 months time from now, when inflation destroys the Whitlam Government. We will be watching Mr. Snedden's anti-inflationary measures closely; but with little confidence.

FROM CANADIAN "ON TARGET": (August 5th) Mr. Patrick Walsh, Research, Director of the Canadian League of Rights, explains Communist involvement in "Red Indian" troubles: in the same way just as the local comrades are stirring up trouble with Australia's aborigines. Indeed: the Communists are masters at exploiting racial tensions and difficulties, anywhere. The article follows:-

"The Toronto Globe and Mail (August 1st.) features a photo of the Ojibwa Indian group, which for the past several days has been 'occupying' the park at Kenora, Ontario. Some members of the group have their rifles raised, others their right arm raised in the well-known Communist clenched-fist salute.

The news media have widely covered this Kenora 'happening', so I shall not go into the details of this park seizure. However, the following significant points are not receiving enough attention.

1) The chiefs of the Indian bands in the Kenora area do not support the seizure of the park by the "squatters" and have rebuffed activists of the American Indian Movement (A.I.M.) who rushed to Kenora from the U.S. to apparently try to duplicate the Wounded Knee situation.

2) On the very day the Globe and Mail photo appeared, the C.B.C. devoted a full ten minutes of the national network time to a man whom it twice described as 'a prominent Winnipeg Lawyer'. During his interview it was made clear that it was this Winnipeg Lawyer who had prepared the brief (ultimatum) which the Red Power squatters had submitted to the Kenora city council, and that long-term planning was responsible for the effective take-over of the park, rather than a spontaneous outburst over Indian grievances.

3) And who does this 'prominent Winnipeg lawyer', about whom the C.B.C. (Canadian Broadcasting Corporation) studiously avoided giving any personal background, turn out to be? None other than Joseph Zuken Q.C.! Well, I'll give you his background. Our research files show that Comrade Zuken is today a member of the Central Committee of the Communist Party of Canada; he was born in Russia, and is the brother of William Zuken (alias Ross), the leader of the Communist Party of Manitoba. Furthermore, the Joseph Zuken is an avowed Communist Party leader who has been active for 30 years in Winnipeg municipal affairs as a school board trustee in Ward 3 and, for the past ten years, as an alderman representing the Red stronghold in Winnipeg's North End. In fact, Comrade Zuken has the dubious honour of being the only member of the Communist Party holding any elective public office in the U.S.A. or Canada.

Canada's Indians do have serious problems and legitimate grievances. But the Comrades are not really interested in solving the problems of native peoples, but merely in using those problems and peoples to stir up trouble and further their own Red ends. "

Mr. Patrick Walsh, commencing Monday, 19th August, will begin a series of speaking engagements in Britain under the auspices of the British League of Rights. His First address will be delivered at the Royal Commonwealth Society.

DEPLORABLE IGNORANCE ON VALUE OF STATES' RIGHTS; "The defenders of States' Rights have a messianic devotion to their cause, which often defies rational explanation, and, unfortunately, equally

often precludes intelligent discussion of how to govern Australia most effectively."

- The Australian (Editorial) July 24th

We suppose we must be charitable and acknowledge that many of the opponents of States' Rights, and many centralists, are really bewildered by the attitude of conservative bodies such as the Australian League of Rights on these issues. We suppose that such centralists really do believe that Australia is held back by its "horse and buggy" Constitution; and that the conditions which obtained when the Constitution was framed have long since gone, and that we must "move forward" (Whatever that means) and abolish colonial "relics" such as States; Governors, State Upper Houses, etc., etc., which have no place at all in the 1970s.

All these arguments can be made to sound quite plausible; but they are superficial: shallow. They don't touch the realities under the surface. The Australian Editorial makes reference to a speech delivered by Mr. Justice Else Mitchell to Local Government representatives, during which His Honour is reported as having said that there is no longer any room for the Federalism which existed at the beginning of the century, and to which the States now want to return.

With due respect to the Judge; we think that he has missed the point also; and needs educating on these matters.

States are made up of individuals. Sovereign States are made up of sovereign individuals. Power which is lost, voluntarily or otherwise, by States equates with power that is similarly lost by individuals. It all means that by a process of centralisation: by placing more and more State powers with the Central Government: the individual loses, gradually, more and more control over his own affairs.

It's all very well to claim that Regionalisation just means that Local Government is replaced by Regions, succoured by the Central Government with adequate funds, and that the individual has just as much control over his own affairs as ever: more; because Big Brother is there with the Money Box. But that isn't the deal at all. Regionalisation means that the directors (or whatever name they are to have) of Regions will be "Australian" Government employees (bureaucrats), and even the local representatives on Region "boards" will be on Big Brother's payroll - all ready to do as they are told: or else. Regions will be merely administrative bodies to carry out the dictates of Canberra. So much for the sovereignty of individuals. The Australian Editorial acknowledges the "theoretical" desirability of establishing checks and balances on the Central Government, and continues: - "But the impoverished financial situation of many Local and State Governments and the way State Governments restrict and centralise decision making within their own anomalous boundaries are so removed from democratic theorising as to almost discard this consideration."

It appears to us that State Governments have every legal and moral right to "make decisions" within their own boundaries: that is their proper function. The writer of this Editorial is giving way to "hysterical propaganda", which charge he makes against States' Righters. The boundaries aren't "anomalous" at all: they were fixed by due legal process last century. But even this is not the point; which is the decentralisation of political units.

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